

BEFORE THE
POSTAL REGULATORY COMMISSION
WASHINGTON, D.C. 20268-0001

Competitive Product Prices Priority Mail Priority Mail Contract 70	Docket No. MC2014-8
Competitive Product Prices Priority Mail Contract 70 (MC2014-8) Negotiated Service Agreement	Docket No. CP2014-9
Competitive Product Prices Priority Mail Priority Mail Contract 108	Docket No. MC2015-27
Competitive Product Prices Priority Mail Contract 108 (MC2015-27) Negotiated Service Agreement	Docket No. CP2015-36
Competitive Product Prices Priority Mail Priority Mail Contract 109	Docket No. MC2015-28
Competitive Product Prices Priority Mail Contract 109 (MC2015-28) Negotiated Service Agreement	Docket No. CP2015-37
Competitive Product Prices Priority Mail Priority Mail Contract 128	Docket No. MC2015-61
Competitive Product Prices Priority Mail Contract 128 (MC2015-61) Negotiated Service Agreement	Docket No. CP2015-92
Competitive Product Prices Priority Mail Priority Mail Contract 135	Docket No. MC2015-71
Competitive Product Prices Priority Mail Contract 135 (MC2015-71) Negotiated Service Agreement	Docket No. CP2015-109

**NOTICE OF THE UNITED STATES POSTAL SERVICE AND
CERTIFICATION PROVIDED IN RESPONSE TO
COMMISSION ORDER NO. 3770
(February 16, 2017)**

The United States Postal Service hereby provides its notice and response to Commission Order No. 3770, which was issued February 2, 2017. In that Order, the Commission directed the Postal Service to file a notice of termination for each domestic competitive Negotiated Service Agreement (NSA) identified in Docket No. ACR2016, Responses of the United States Postal Service to Questions 1-7 of Chairman's Information Request No. 6, Question 7(a), which was filed on January 23, 2017.¹ The Postal Service is today filing a separate notice of termination in each of these dockets.

Order No. 3770 also directed the Postal Service to file notice in these dockets stating the steps the Postal Service will take to ensure it complies with Commission reporting requirements for domestic competitive NSAs. Finally, in Order No. 3770, the Commission directed the Postal Service to file a certification from an appropriate manager stating that the manager has reviewed the domestic competitive NSAs currently listed in the Mail Classification Schedule (MCS), and identified all additional domestic competitive NSAs listed in the MCS that were terminated prior to the contract's expiration date. The instant pleading provides the required notice regarding the steps the Postal Service will take to comply with Commission reporting requirements, and also provides the requested certification. The list of NSAs currently in the MCS that were terminated prior to the contract's expiration date is contained in

¹ The five contracts in question are: Priority Mail Contract 70, Priority Mail Contract 108, Priority Mail Contract 109, Priority Mail Contract 128, and Priority Mail Contract 135.

Attachment A to this pleading. Separate notice of termination will be filed in each of the relevant dockets for the contracts listed in Attachment A. The signed certification requested in Order No. 3770 is contained in Attachment B.

Steps Taken to Ensure Compliance with Reporting Requirements

The Postal Service has already taken actions to improve the Postal Service's ability to track and report on domestic competitive NSAs. A separate Contract Administration team has been established within the Field Sales Strategy & Contracts group of the Postal Service's Sales Department. This team consists of both Field and Headquarters personnel, and will coordinate between Field Sales staff involved in maintaining the NSA customer relationship, and Headquarters personnel responsible for internal tracking of all NSAs and various regulatory responsibilities. This group will be focused on tracking all domestic competitive NSAs throughout the negotiation process, and up through filing with the Commission. Most importantly, this group will be responsible for coordinating with the Law Department on meeting all manner of Commission reporting requirements, including providing prompt notice of any domestic competitive NSAs that are terminated prior to each contract's expiration date.

Additionally, the Contract Administration group has established a new procedure whereby, on a weekly basis, it will send a spreadsheet to the Law Department that contains any NSAs that may be terminated in the near future², and any NSAs that have

² Most NSAs contain a minimum 30 day notice period for the parties to terminate for convenience. If either party provides such notice to the other party, the contract at issue will be listed on the spreadsheet so that appropriate personnel at Headquarters are prepared for a likely termination in the coming weeks. Once the termination takes effect, the Postal Service will prepare the notice of termination filing.

been terminated within the past week, since the previous week's report. This new procedure will ensure that the Law Department will receive weekly updates of any NSAs for which a notice of termination must be filed, so that the notices will be promptly filed with the Commission going forward.

The Postal Service recognizes the Commission's desire to keep an accurate and up-to-date MCS, particularly as it pertains to the Postal Service's ever-increasing numbers of domestic competitive NSAs. With the notices of early termination being filed for the contracts listed in Attachment A, as well as the instant notice and certification, the Commission now has the most up-to-date information reflected in the Postal Service's own internal tracking systems for domestic competitive NSAs. And with the new procedures in place by the Contract Administration team, including weekly updates of terminated NSAs, the Postal Service will be in a much better position in the future to comply with the Commission's reporting requirements for NSAs that have been terminated prior to their expiration dates.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

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ATTACHMENT A

LIST OF EARLY TERMINATED NSAs

Contract Number	Term. Date
PME Contract 8	5/27/2010
PME Contract 18	6/28/2015
PME Contract 22	1/12/2016
PME Contract 24	1/6/2017
PME Contract 33	11/8/2016
PM Contract 24	5/27/2010
PM Contract 70	1/12/2016
PM Contract 75	6/25/2016
PM Contract 76	1/7/2016
PM Contract 79	7/30/2014
PM Contract 83	8/22/2016
PM Contract 84	9/30/2015
PM Contract 86	4/15/2015
PM Contract 89	6/15/2015
PM Contract 91	4/13/2016
PM Contract 97	11/9/2015
PM Contract 100	1/12/2016
PM Contract 101	2/29/2016
PM Contract 102	12/15/2016
PM Contract 103	9/22/2016
PM Contract 105	4/4/2016
PM Contract 108	11/9/2015
PM Contract 109	11/9/2015
PM Contract 112	7/8/2016
PM Contract 114	11/9/2015

Contract Number	Term. Date
PM Contract 116	9/21/2016
PM Contract 118	3/31/2016
PM Contract 120	8/29/2016
PM Contract 122	3/1/2016
PM Contract 124	11/7/2016
PM Contract 128	6/15/2016
PM Contract 129	10/12/2016
PM Contract 135	6/15/2016
PM Contract 139	7/2/2016
PM Contract 142	8/8/2016
PM Contract 143	1/3/2016
PM Contract 147	7/8/2016
PM Contract 151	9/14/2016
PM Contract 162	11/18/2016
PM Contract 165	11/15/2016
PM Contract 173	12/3/2016
PM Contract 182	11/8/2016
PM Contract 184	7/27/2016
PM Contract 187	11/9/2016
PME-PM Contract 16	5/12/2015
FCPS Contract 35	12/23/2015
FCPS Contract 56	8/19/2016
FCPS Contract 58	9/14/2016
PME-PM-FCPS Contract 3	1/16/2016
PME-PM-FCPS Contract 4	8/21/2015
PM-FCPS Contract 3	3/24/2016
PM-FCPS Contract 12	1/13/2016
PM-FCPS Contract 14	3/25/2016

ATTACHMENT B

CERTIFICATION PROVIDED IN RESPONSE TO COMMISSION ORDER NO. 3770

I, Cliff Rucker, Senior Vice President, Sales & Customer Relations, United States Postal Service, hereby certify that I have reviewed the domestic competitive Negotiated Service Agreements (NSAs) currently listed in the Mail Classification Schedule (MCS), and compared that list with the Postal Service's internal list of active NSAs. The Postal Service has identified all additional domestic competitive NSAs listed in the MCS that were terminated prior to the contract's expiration date, and those contracts are listed in Attachment A, along with the early termination date. The Postal Service will file a notice of termination in the relevant docket(s) for these contracts.

A handwritten signature in blue ink, appearing to read 'Cliff Rucker', is written over a horizontal line.

Cliff Rucker
Senior Vice President
Sales & Customer Relations

February 16, 2017